

COUNTY OF LOS ANGELES – DEPARTMENT OF MENTAL HEALTH

PHARMACY SERVICES

Indigent Medications Program Overview

2-14-07

Background

The program known today as the Indigent Medications Program (IMP) was initiated in February 2003, with the goal of reducing the \$40,000,000 budget by 5%. Cost savings for fiscal year 2005-2006 was in excess of \$2.6 million. Fiscal year 2006-2007 a reduction of 11% is budgeted. A project manager was assigned and in June 2003 a pilot project was implemented at eight Department of Mental Health (DMH) out-patient clinics with the expectation that all other clinics would be phased in over time. In December 2004, a staff of seven Financial Services Workers, one Secretary and a Program Head were hired as designated staff that would travel daily among the 20-directly operated out-patient programs, assisting the staff of these clinics to complete and submit Patient Assistance Program (PAP) applications. The IMP is the DMH program established to utilize and monitor the nationally available PAPs.

Application Process

Applications are being submitted to four pharmaceutical companies: Janssen (Risperdal); Lilly (Zyprexa); Pfizer (Geodon) and Bristol Meyers Squibb (Abilify). In order for a client to be eligible for a PAP, they must meet a financial and clinical eligibility. If these requirements are met, applications are signed by the client and the clinic physician, and then the IMP coordinators fax the applications to the pharmaceutical companies for approval. A copy of the application is also faxed to the DMH pharmacy where it is entered into an electronic database and then filed in the pharmacy office.

When an application is being submitted, an electronic indicator is placed in the Integrated System (IS) which communicates to the contracted pharmacies that the payer for the medication will be the PAP. (The PAP indicator is only for the four medications previously noted.) When a PAP client takes a prescription to a pharmacy, the client receives his medication in the same manner that he has always received his medications but the indicator alerts the pharmacy of the payer source and a weekly report (HMHRPAPR) is generated.

The HMHRPAPR report identifies all medications dispensed by the pharmacies for clients in the IMP. Once received, a letter is then generated from this report indicating the Pharmacy, the name of the client, the medication to be shipped and the date the medication was dispensed by the pharmacy. These letters then generate a shipping list which is used to pull the medications from storage that need to be shipped to the pharmacies for replacement of the medications dispensed.

Replacement/Reimbursement of Medication

Medications are shipped via UPS in envelopes prepared in DMH Pharmacy. The envelopes are labeled according to the letters from the HMHRPAPR report and include the replacement

medications and letters with the identifying information described above. These typed letters to the pharmacies are photocopied and filed for reference in the DMH Pharmacy office. Before these photocopied letters are filed, the information regarding the medications being replaced is logged into the "I" drive (a share drive for the IMP program) in the Medication Shipped file. Letters are filed by the name of the contracted pharmacy. Shipments occur approximately once per week.

Medications are received from the pharmaceutical companies nearly every day. They are opened shortly after arrival and the invoices are then date stamped after the medication received is verified with the invoice. These invoices are then used to log the medications received into the "I" drive's Monthly Report file indicating the name of the client, medication received, dosage and number received, the name of the physician ordering the medication, and the cost of the medication. These invoices are then filed in chronological order in the DMH Pharmacy office. Medications are stored in the Pharmacy warehouse in the locked metal cabinet until removed for shipment purposes.

IMP Coordinators

IMP staff is referred to as IMP Coordinators. Each is responsible for two to three clinics. They travel daily to these clinics. They also are assigned a day at DMH Headquarters in order to assist with the shipments from the Pharmacy. Each staff is assigned a cell phone so that they are always available by phone. The IMP Program Manager makes regular visits with the IMP Coordinators to the clinics to assist with the Program issues and concerns.

Each month several reports are produced by the Program Manager which charts the dollar amounts and the percentage of medication cost reductions that this program generates. These reports are then shared by Dr. Shaner with the DMH Executive Staff and the IMP staff share these reports with clinic managers and various other staff.